



---

**SF 177** – Lottery Proceeds to Iowa Veterans Trust Fund (LSB1182SV)  
Analyst: David Reynolds (Phone: (515) 281-6934) ([dave.reynolds@legis.iowa.gov](mailto:dave.reynolds@legis.iowa.gov))  
Fiscal Note Version – New

---

**Description**

**Senate File 177** requires \$2.5 million of lottery revenue to be transferred annually to the Veterans Trust Fund. Under current law, the Lottery Authority is required to conduct a limited series of lottery games to specifically benefit veterans programs. The proceeds from these lottery games are deposited in the Veterans Trust Fund. **Senate File 177** repeals the current requirement.

**Background**

The lottery revenues deposited in the Veterans Trust Fund from FY 2009 to FY 2014 have averaged \$2.5 million annually. However, over the last two fiscal years the proceeds have been below the five-year average and have decreased to \$2.1 million in FY 2013 and \$1.8 million in FY 2014. For the first six months of FY 2015, the revenues from lottery games benefitting veterans have increased \$467,000 compared to the same period of FY 2014. According to the Iowa Lottery Authority, the increase is due to the successful release of a \$3 instant-scratch game at the beginning of the fiscal year. The Lottery Authority discontinued the \$3 instant-scratch game and does not anticipate ticket sales to be as strong in the second half of FY 2015.

**Assumptions**

- Assumes lottery revenues generated for the Veterans Trust Fund from January 2015 through June 2015 will be similar to the revenue generated during the same period of FY 2014 (\$955,000), resulting in estimated revenues of \$2.3 million for FY 2015.
- The actual impact of **SF 177** will be the difference between the potential future sales of lottery games benefitting veterans compared to the \$2.5 million transfer limit specified in the Bill. For estimating purposes it is assumed that lottery revenue for the Veterans Trust Fund in FY 2016 and FY 2017 will range between \$2.0 million and \$2.3 million annually.
- According to the Iowa Lottery Authority, lottery games benefitting veterans will continue to be marketed.

**Fiscal Impact**

**Senate File 177** will reduce lottery revenues transferred to the General Fund in FY 2016 and FY 2017 by an estimated \$200,000 to \$500,000 annually with a midpoint estimate of \$350,000. The Bill will increase the funds transferred to the Veterans Trust Fund by a like amount.

**Sources**

Iowa Lottery Authority  
Legislative Services Agency

/s/ Holly M. Lyons

---

February 10, 2015